

INFORMATION MEMORANDUM

THIS INFORMATION MEMORANDUM IS ISSUED IN CONNECTION WITH THE DIVIDEND REINVESTMENT PLAN ("DRP") APPLICABLE TO THE FINAL CASH DIVIDEND (AS DEFINED HEREIN). THIS INFORMATION MEMORANDUM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION AND IS TO BE READ IN CONJUNCTION WITH THE DIVIDEND REINVESTMENT PLAN STATEMENT ("DRP STATEMENT") HEREIN.

IF YOU WISH TO PARTICIPATE IN THE DRP, YOU MUST COMPLETE AND RETURN THE DIVIDEND REINVESTMENT FORM TO TRICOR INVESTOR SERVICES SDN BHD, THE REGISTRAR FOR THE DRP, SUCH THAT IT REACHES THE REGISTRAR FOR THE DRP ON OR BEFORE THE EXPIRY DATE (AS DEFINED HEREIN). IF YOU DECIDE TO RECEIVE YOUR ENTIRE FINAL CASH DIVIDEND ENTITLEMENT IN CASH ONLY, YOU DO NOT NEED TO TAKE ANY ACTION. THE PAYMENT OF THE TOTAL FINAL CASH DIVIDEND ENTITLEMENT WILL BE MADE TO YOU ON THE PAYMENT DATE (AS DEFINED HEREIN) AS PER THE ARRANGEMENT THAT YOU HAVE DECIDED EARLIER.

All abbreviated terms used herein are as defined in the DRP Statement unless defined otherwise.



MALAYAN BANKING BERHAD

(Company No. 3813-K)

(Incorporated in Malaysia under the Companies Ordinances, 1940-1946)

INFORMATION MEMORANDUM IN RELATION TO THE RECURRENT AND OPTIONAL DIVIDEND REINVESTMENT PLAN THAT ALLOWS SHAREHOLDERS OF MALAYAN BANKING BERHAD ("MAYBANK") TO REINVEST THE ELECTABLE PORTION OF THEIR FINAL CASH DIVIDEND IN RESPECT OF THE 6-MONTH FINANCIAL PERIOD ENDED 31 DECEMBER 2011 OF RM0.36 PER ORDINARY SHARE OF RM1.00 EACH IN MAYBANK ("MAYBANK SHARE") LESS 25% TAXATION INTO NEW MAYBANK SHARE(S)

Adviser



Maybank Investment Bank Berhad (15938-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Our Board of Directors:

Tan Sri Dato' Megat Zaharuddin bin Megat Mohd Nor (*Non-Independent Non-Executive Director/Chairman*)

Dato' Mohd Salleh bin Hj Harun (*Independent Non-Executive Director/ Vice Chairman*)

Dato' Sri Abdul Wahid bin Omar (*Non-Independent Executive Director/ President and Chief Executive Officer*)

Tan Sri Datuk Dr Hadenan bin A. Jalil (*Independent Non-Executive Director*)

Dato' Seri Ismail bin Shahudin (*Independent Non-Executive Director*)

Dato' Dr Tan Tat Wai (*Independent Non-Executive Director*)

Zainal Abidin bin Jamal (*Non-Independent Non-Executive Director*)

Alistair Maitland (*Independent Non-Executive Director*)

Cheah Teik Seng (*Independent Non-Executive Director*)

Dato' Johan bin Ariffin (*Independent Non-Executive Director*)

Datuk Mohaiyani binti Shamsudin (*Independent Non-Executive Director*)

To: The Entitled Shareholders of Maybank

Dear Sir/Madam,

The DRP was approved by our shareholders at the extraordinary general meeting held on 14 May 2010. Our Board of Directors ("**Board**" or "**Directors**"), on 23 February 2012, proposed a final cash dividend in respect of the 6-month financial period ended 31 December 2011 of RM0.36 per Maybank Share less 25% taxation ("**Final Cash Dividend**"). Our Board had also determined that the DRP will apply to the Final Cash Dividend in which an electable portion of RM0.32 (RM0.24 net of taxation) per Maybank Share held ("**Electable Portion**") can be elected to be reinvested into new Maybank Shares and the remaining portion of RM0.04 (RM0.03 net of taxation) per Maybank Share will be paid in cash.

At the annual general meeting ("**AGM**") held on 29 March 2012, our shareholders approved, *inter alia*, the allotment and issuance of new Maybank Shares arising from the DRP until the conclusion of the next AGM upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of Maybank provided that the issue price of the new Maybank Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price ("**VWAMP**") of Maybank Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price.

The DRP provides you with the option to elect to reinvest up to the entire Electable Portion into new Maybank Shares. This Information Memorandum is issued in connection with the DRP applicable to the Final Cash Dividend. If you elect to reinvest the entire Electable Portion or a part thereof into new Maybank Shares, you must complete and sign the Dividend Reinvestment Form ("**DRF**") issued in connection with the DRP applicable to the Final Cash Dividend contained in the Notice of Election ("**NOE**") and submit it to the Registrar for the DRP such that it reaches the Registrar for the DRP on or before the last date and time as specified below.

The new Maybank Shares will be issued to you at the issue price of RM8.00 per new Maybank Share as determined on 17 April 2012 ("**Price Fixing Date**"). The issue price of RM8.00 is based on the five (5)-day VWAMP of RM8.85 per Maybank Share up to and including 16 April 2012, being the last trading day prior to the Price Fixing Date for the issue price of new Maybank Shares after adjusting for the following:

- (i) a gross dividend adjustment of RM0.36 to the five (5)-day VWAMP ("**Ex-Dividend VWAMP**"); and
- (ii) a discount of RM0.49 which is approximately 5.77% discount to the Ex-Dividend VWAMP of RM8.49.

In the event that all the entitled Shareholders elect to reinvest their respective Electable Portion into new Maybank Shares, the total number of new Maybank Shares that would have been issued pursuant to the DRP, will be approximately 229,183,466 which represent approximately 3.00% of the total issued and paid-up share capital (excluding treasury shares) of Maybank as at 2 May 2012 ("**Book Closure Date**").

Any issuance of new Maybank Shares pursuant to the NOE (including the DRF) is subject to the terms and conditions stated in the DRP Statement and the NOE (including the DRF) issued by Maybank. The maximum number of new Maybank Shares that has been set out in the DRF was computed based on your entitlement for the Electable Portion as at the Book Closure Date.

You will receive the Electable Portion in cash if you do not expressly in writing elect to participate in the DRP according to its terms. As such, you need not take any action if you wish to receive your Electable Portion in cash.

Last date and time to submit the DRF	: Friday, 18 May 2012 at 5.00 p.m., or such other date and time as may be extended by the Board at its sole discretion ("Expiry Date")
Issuance and allotment of new Maybank Shares as well as payment of cash dividend to shareholders	: Monday, 4 June 2012 ("Payment Date")

By order of the Board

MOHD NAZLAN MOHD GHAZALI
(LS 0008977)
Company Secretary

Registrar for the DRP

Tricor Investor Services Sdn Bhd (118401-V)
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Telephone no: 603 – 2264 3883
Fax no: 603 – 2282 1886

THIS INFORMATION MEMORANDUM IS DATED 4 MAY 2012

EXAMPLES OF SHARE ENTITLEMENT COMPUTATION

YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE DRP STATEMENT TO WHICH THIS INFORMATION MEMORANDUM RELATES IN ITS ENTIRETY BEFORE COMPLETING THE DRF.

(I) MAXIMUM SHARE ENTITLEMENT IN RESPECT OF THE ELECTABLE PORTION UNDER THE DRP

In respect of any Electable Portion, the maximum number of new Maybank Shares to be allotted and issued to you in respect of a NOE (containing the DRF) shall be calculated in accordance with the following formula:

$$N = \frac{S \times D}{V}$$

Where:

- N = is the maximum number of new Maybank Shares to be allotted and issued as fully paid-up to you in respect of the NOE (containing the DRF).
- S = is the number of Maybank Shares held by you as at the Book Closure Date to which the NOE (containing the DRF) relates.
- D = is the Electable Portion (after deduction of applicable income tax) to which the NOE (containing the DRF) relates.
- V = is the issue price of a new Maybank Share, which shall not be more than ten per cent (10%) discount to the adjusted five (5)-day VWAMP of Maybank Shares immediately prior to the price fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price.

The fractional entitlement of new Maybank Shares computed in accordance to the above formula will be paid in cash to you in the usual manner.

Our Board had on 23 February 2012, proposed a final cash dividend for the 6-month financial period ended 31 December 2011 of RM0.36 per Maybank Share less 25% taxation. The DRP shall apply to this Final Cash Dividend in which the gross Electable Portion of RM0.32 (RM0.24 net of taxation) per Maybank Share held can be elected to be reinvested into new Maybank Shares and the remaining portion of RM0.04 (RM0.03 net of taxation) per Maybank Share held will be paid in cash.

The issue price of a new Maybank Share arising from the DRP is fixed at RM8.00.

Example

Your maximum share entitlement for the new Maybank Shares (assuming you hold 50,200 Maybank Shares as at the Book Closure Date) will be calculated as follows:

$$N = \frac{S \times D}{V}$$

$$N = \frac{50,200 \times (\text{RM}0.32 \times (1-0.25))}{\text{RM}8.00}$$

$$N = \frac{50,200 \times \text{RM}0.24}{\text{RM}8.00}$$

$$N = 1,506$$

Assuming you hold 50,200 Maybank Shares as at the Book Closure Date, your Final Cash Dividend, Electable Portion and Remaining Portion are as follows:

	(RM)
Final cash dividend of RM0.36 per Maybank Share held less 25% taxation ⁽¹⁾ <i>Calculation = 50,200 x (RM0.36 x (1-0.25))</i>	13,554.00
Electable portion of RM0.32 per Maybank Share held less 25% taxation as approved by the Board ⁽²⁾ <i>Calculation = 50,200 x (RM0.32 x (1-0.25))</i>	12,048.00
Remaining Portion ⁽³⁾	1,506.00

Notes:

- ⁽¹⁾ If you decide to receive your entire Final Cash Dividend entitlement in cash only, the payment of the total Final Cash Dividend entitlement is as per indicated.
- ⁽²⁾ Kindly take note that you have the option to elect to participate and thereby reinvest the entire Electable Portion or a part thereof into new Maybank Shares and if applicable, to receive the balance of the Electable Portion not reinvested in cash; or elect not to reinvest the Electable Portion into new Maybank Shares and thereby receive the entire Electable Portion wholly in cash.
- ⁽³⁾ The Remaining Portion is the remaining portion of the Final Cash Dividend after the deduction of the Electable Portion, where applicable.

(II) THE BALANCE OF THE ELECTABLE PORTION NOT REINVESTED INTO NEW MAYBANK SHARES UNDER THE DRP

In respect of any Electable Portion, the balance of the Electable Portion which is not reinvested into new Maybank Shares in respect of a Notice of Election (containing the DRF) shall be calculated in accordance with the following formula:

$$B = (S \times D) - (A \times V)$$

Where:

- B = is the balance of the Electable Portion which you choose not to reinvest into new Maybank Shares in respect of such Notice of Election (containing the DRF).
- S = is the number of Maybank Shares held by you as at the Book Closure Date for which the Notice of Election (containing the DRF) relates.
- D = is the Electable Portion (after deduction of applicable income tax) to which such Notice of Election (containing the DRF) relates.
- A = is the number of new Maybank Shares that you elect to subscribe in respect of the Electable Portion to which such Notice of Election (containing the DRF) relates.
- V = is the issue price of a new Maybank Share, which shall not be more than ten per cent (10%) discount to the adjusted five (5)-day VWAMP of Maybank Shares immediately prior to the price fixing date subsequent to the receipt of all relevant regulatory approvals, of which the VWAMP shall be adjusted ex-Dividend before applying the aforementioned discount in fixing the issue price.

The balance of the Electable Portion not reinvested into new Maybank Shares computed in accordance to the above formula will be paid in cash to you in the usual manner.

Scenario 1 - If you decide to reinvest the entire Electable Portion into new Maybank Shares

Assuming you hold 50,200 Maybank Shares and you wish to subscribe for the maximum of 1,506 new Maybank Shares calculated based on your entitlement as at the Book Closure Date using the formula as per (I), hence your balance of the Electable Portion not reinvested into new Maybank Shares will be calculated as follows:

$$\begin{aligned} B &= (S \times D) - (A \times V) \\ B &= (50,200 \times (\text{RM}0.32 \times (1-0.25))) - (1,506 \times \text{RM}8.00) \\ B &= (\text{RM}12,048.00) - (\text{RM}12,048.00) \\ B &= \text{nil} \end{aligned}$$

Based on the above calculation, the table below shows the computation of the total cash amount payable to you based on your election:

	(RM)
Electable Portion of RM0.32 per Maybank Share held less 25% taxation as approved by the Board	12,048.00
Less: Amount payable for reinvestment at RM8.00 per Maybank Share (1,506 x RM8.00)	12,048.00
Balance of Electable Portion not reinvested	-
Add: Remaining Portion	1,506.00
Total amount payable in cash	1,506.00

Scenario 2 - If you decide to reinvest part of the Electable Portion into new Maybank Shares

Assuming you hold 50,200 Maybank Shares and you are entitled for the maximum of 1,506 new Maybank Shares calculated based on your entitlement as at the Book Closure Date using the formula as per (I). However, you only wish to subscribe for 1,400 new Maybank Shares, hence your balance of the Electable Portion not reinvested into new Maybank Shares will be calculated as follows:

$$\begin{aligned} B &= (S \times D) - (A \times V) \\ B &= (50,200 \times (\text{RM}0.32 \times (1-0.25))) - (1,400 \times \text{RM}8.00) \\ B &= (\text{RM}12,048.00) - (\text{RM}11,200.00) \\ B &= \text{RM}848.00 \end{aligned}$$

Based on the above calculation, the table below shows the computation of the total cash amount payable to you based on your election:

	(RM)
Electable Portion of RM0.32 per Maybank Share held less 25% taxation as approved by the Board	12,048.00
Less: Amount payable for reinvestment at RM8.00 per Maybank Share (1,400 x RM8.00)	11,200.00
Balance of Electable Portion not reinvested	848.00
Add: Remaining Portion	1,506.00
Total amount payable in cash	2,354.00



MALAYAN BANKING BERHAD

(Company No. 3813-K)

(Incorporated in Malaysia under the Companies Ordinances, 1940 – 1946)

Dividend Reinvestment Plan Statement

This Dividend Reinvestment Plan Statement (“**Statement**”) contains the terms and conditions (“**Terms and Conditions**”) of the Dividend Reinvestment Plan of Malayan Banking Berhad (“**Dividend Reinvestment Plan**”) under which persons registered in the Register of Members of Malayan Banking Berhad (“**Maybank**” or “**Company**”), or, as the case maybe, the Record of Depositors as the holders of fully paid-up Maybank Shares (as defined below) in the Company (“**Shareholders**”) may:

- (i) elect to receive the entire Electable Portion (as defined below) in cash; or
- (ii) elect to reinvest the entire Electable Portion (as defined below) into new fully paid-up ordinary shares of RM1.00 each in Maybank (“**Maybank Shares**”) at an issue price to be determined on a price fixing date subsequent to the receipt of all relevant regulatory approvals for the Dividend Reinvestment Plan (“**Price Fixing Date**”); or
- (iii) elect to reinvest part of the Electable Portion into new Maybank Shares at an issue price to be determined on the Price Fixing Date and to receive the remaining part of the Electable Portion in cash; and
- (iv) where applicable, receive the Remaining Portion (as defined below) in cash, after the deduction of any applicable income tax.

SUMMARY OF MAIN FEATURES OF THE DIVIDEND REINVESTMENT PLAN

Whenever a cash dividend (either an interim or final dividend and/or special or other dividend) (“**Dividend**”) is announced, the Board of Directors of Maybank (“**Board**” or “**Directors**”) may, in its absolute discretion, determine that the Dividend Reinvestment Plan applies to the whole or a portion of the cash Dividend (“**Electable Portion**”) and where applicable, any remaining portion of the Dividend will be paid in cash (“**Remaining Portion**”).

Unless the Board has determined that the Dividend Reinvestment Plan will apply to a particular Dividend, the Dividend concerned will be paid in cash to the Shareholders in the usual manner.

For the purpose of calculating the number of new Maybank Shares to be issued pursuant to the Dividend Reinvestment Plan, the issue price of such new Maybank Shares shall not be more than 10% discount to the five (5)-day volume weighted average market price (“**VWAMP**”) of Maybank Shares immediately prior to the Price Fixing Date, of which the VWAMP shall be adjusted ex-Dividend before applying the aforementioned discount in fixing the issue price. An announcement on the Book Closure Date (as defined below) will be made thereafter.

The Dividend Reinvestment Plan provides Shareholders with the following options in respect of the Electable Portion:

- (i) to elect to receive the entire Electable Portion in cash; or
- (ii) to elect to reinvest the entire Electable Portion into new Maybank Shares at an issue price to be determined on the Price Fixing Date; or
- (iii) to elect to reinvest part of the Electable Portion into new Maybank Shares at an issue price to be determined on the Price Fixing Date and to receive the remaining part of the Electable Portion in cash.

Under the present law in Malaysia, there is no brokerage, stamp duty or other material transaction costs payable on new Maybank Shares allotted and issued under the Dividend Reinvestment Plan.

All Shareholders are eligible to participate in the Dividend Reinvestment Plan subject to the restriction on Overseas Shareholders (as defined below), in Section 4 of the terms and conditions of the Dividend Reinvestment Plan, and such other Shareholders or class of Shareholders as the Board may in their absolute discretion decide.

Shareholders receiving more than one (1) Notice of Election (as defined below) may elect to participate in respect of their holding of Maybank Shares to which one (1) Notice of Election (as defined below) relates and elect not to participate in respect of their holding of Maybank Shares to which any other Notice of Election (as defined below) relates thereof.

The new Maybank Shares to be issued pursuant to the Dividend Reinvestment Plan will rank *pari passu* in all respects with the existing Maybank Shares, except that the holders of new Maybank Shares shall not be entitled to any Dividends, rights, allotments and/or other distributions which may be declared, made or paid preceding the date of allotment of the new Maybank Shares.

Shareholders participating in the Dividend Reinvestment Plan will receive notification letters setting out, *inter alia*, the number of new Maybank Shares allotted to them under the Dividend Reinvestment Plan.

HOW TO PARTICIPATE

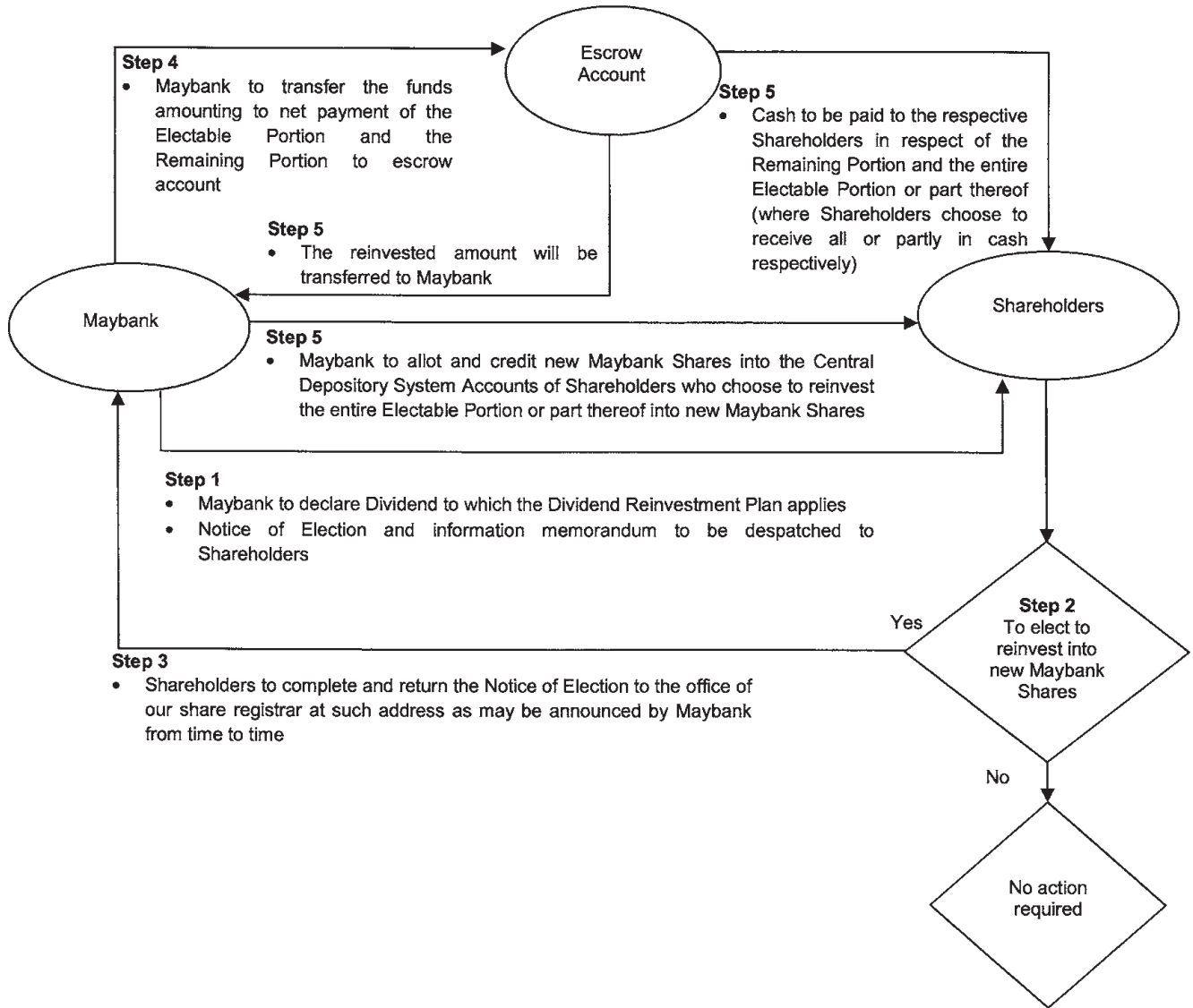
Participation in the Dividend Reinvestment Plan is optional and not transferable. A Shareholder wishing to reinvest into new Maybank Shares in respect of any Electable Portion to which a notice of election (in such form as the Directors may approve) ("**Notice of Election**") received by him relates should complete the Notice of Election and return it to the office of our share registrar at such address as may be announced by the Company from time to time.

A Shareholder receiving more than one (1) Notice of Election and wishing to reinvest into new Maybank Shares in respect of all or part of his entitlement to the Electable Portion in respect of his holding of Maybank Shares to which the Notices of Election relate must complete all Notices of Election received by him and return the completed Notices of Election to the office of our share registrar at such address as may be announced by the Company from time to time.

For an Electable Portion to which a Notice of Election relates to take effect, such duly completed and signed Notice of Election must be received by the Company no later than the date to be specified by the Board in respect of that Electable Portion.

THE PROCESS FLOW CHART

The process flow chart in relation to any Dividend to which the Dividend Reinvestment Plan applies and the Dividend Reinvestment Plan is shown below:



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TERMS AND CONDITIONS OF THE DIVIDEND REINVESTMENT PLAN

1. Establishment

The Dividend Reinvestment Plan has been established by the Directors.

2. Terms and Conditions

In these Terms and Conditions:

"Articles" shall mean the Articles of Association of the Company, as amended, supplemented and/ or modified from time to time;

"Book Closure Date" shall mean book closure date in relation to a Dividend to which the Dividend Reinvestment Plan applies;

"Bursa Securities" shall mean Bursa Malaysia Securities Berhad;

"Dividend" shall mean any cash dividend (including any interim or final and/or special or other dividend) declared by Maybank;

"Electable Portion" shall mean the whole or a portion of the Dividend to which the Board in its absolute discretion, determines that the Dividend Reinvestment Plan applies;

"Expiry Date" shall mean the last day (which will be a date to be fixed and announced by the Directors) for shareholders of Maybank to make an election in relation to the Electable Portion;

"Market Day" shall mean any day between Monday to Friday, both days inclusive, which is not a public holiday and on which Bursa Securities is open for trading of securities;

"Maybank Share(s)" shall mean ordinary share(s) of RM1.00 each in Maybank;

"Overseas Shareholders" shall mean Shareholders who have not provided an address in Malaysia for the service of this document;

"Remaining Portion" shall mean the remaining portion of the Dividend after the deduction of Electable Portion, where applicable;

"RM", Ringgit Malaysia being the lawful currency of Malaysia;

"Take-over Code" shall mean the Malaysian Code on Take-overs and Mergers, 2010 as amended from time to time and any re-enactment thereof; and

"%" or **"per cent"** shall mean percentage or per centum.

3. Eligibility

All Shareholders are eligible to participate in the Dividend Reinvestment Plan, subject to the restrictions on Shareholders with registered addresses outside Malaysia as at the Book Closure Date for the Dividend to which the Dividend Reinvestment Plan applies, and further subject to the requirement that such participation by the Shareholder will not result in a breach of any other restriction on such Shareholder's holding of Maybank Shares which may be imposed by any statute, law or regulation in force in Malaysia or any other relevant jurisdiction, as the case may be, or prescribed in the Memorandum or the Articles of Association of the Company.

4. Shareholders' residence outside Malaysia

For practical reasons and to avoid any violation of the securities laws applicable outside Malaysia where Shareholders may have their registered addresses, the Dividend Reinvestment Plan will not be offered for subscription in any country other than Malaysia. No Overseas Shareholder shall have any claim whatsoever against the Company as a result of the Dividend Reinvestment Plan not being offered to such Overseas Shareholders. Overseas Shareholders who receive or come to have in their possession this Statement and/or a Notice of Election may not treat the same as being applicable to them and are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Dividend Reinvestment Plan as may be applicable to them.

Accordingly, the documents relating to the Dividend Reinvestment Plan including an information memorandum will not be sent to the Shareholders who do not have an address in Malaysia. Such Shareholders who wish to change their addresses for service of documents in Malaysia should inform their respective stockbrokers to effect the change of address. Such notification should be done prior to the Book Closure Date for the Dividend to which the Dividend Reinvestment Plan applies.

Alternatively, such Shareholders may collect the information memorandum from the registrars of the Company, in which event, the registrars may be entitled to satisfy themselves as to the identity and authority of the person collecting the information memorandum.

The Shareholders will be solely responsible for seeking advice as to the laws of any jurisdiction that they may be subject to, and a participation by the Shareholders in the Dividend Reinvestment Plan will be on the basis that he may lawfully so participate without the Company and/or its advisers and Directors and employees being in breach of the laws of any jurisdiction.

5. Level of participation

A Shareholder may elect to participate in the Dividend Reinvestment Plan ("**Participating Shareholder**") to the extent determined by the Directors at their discretion in respect of his holding of Maybank Shares as at each Book Closure Date to which each Notice of Election (as hereafter defined) received by him relates to such Electable Portion ("**Participating Shares**").

6. Notice of election to participate

The Company will, at its discretion, send to each Shareholder one (1) or more notices of election (in such form as the Directors may approve) ("**Notice of Election**"). To be effective in respect of any Electable Portion, a Notice of Election must be received by the Company, no later than the date to be specified by the Directors in respect of that Electable Portion. A Shareholder receiving two (2) or more Notices of Election may elect to reinvest into new Maybank Shares in respect of his entitlement to which one (1) Notice of Election relates and decline to reinvest into new Maybank Shares in respect of his entitlement to which any other Notice of Election relates. A Shareholder receiving two (2) or more Notices of Election and wishing to reinvest into new Maybank Shares in respect of all or part of his entitlement to the Electable Portion in respect of his holding of Maybank Shares to which the Notices of Election relate must complete all the Notices of Election received by him and return the completed Notices of Election to the office of our share registrar at such address as may be announced by the Company from time to time, no later than the date specified in the Notice of Election. A Notice of Election to participate in the Dividend Reinvestment Plan in any other form will not be accepted by the Company.

A Notice of Election in respect of any Electable Portion shall not, upon its receipt by the Company be withdrawn or cancelled.

The Company is under no obligation to correct invalid Notices of Election on behalf of any Shareholder or to provide any reason for rejecting any Notice of Election.

By electing to participate in the Dividend Reinvestment Plan, the Participating Shareholder unconditionally:

- (a) warrants to the Company that it has the legal right and full power and authority to participate in the Dividend Reinvestment Plan and that its participation in the Dividend Reinvestment Plan will not result in a breach of any law or regulation by which it is bound;
- (b) acknowledges that the Company may at any time determine that the Participating Shareholder's Notice of Election or other form ("**Form**") is valid, even if the relevant Form is incomplete, contains errors or is otherwise defective;
- (c) acknowledges that the Company may reject any Form;
- (d) acknowledges that the Company has not provided the Participating Shareholder with investment advice or any other advice;
- (e) agrees to these Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the Dividend Reinvestment Plan; and
- (f) submits to the jurisdiction of the Malaysia Courts, in each case, at all times until termination of the Dividend Reinvestment Plan.

7. Extent of application of Dividend Reinvestment Plan to each Electable Portion

The Directors may determine, in their absolute discretion, in respect of any Dividend, whether the Dividend Reinvestment Plan shall apply to the whole or a portion of the Dividend. If, in their absolute discretion, the Directors have not determined that the Dividend Reinvestment Plan is to apply to a particular Dividend, such Dividend shall be paid in cash to Shareholders in the usual manner notwithstanding their elections under the Dividend Reinvestment Plan.

8. Maximum share entitlement in respect of the Electable Portion and the balance of the Electable Portion not reinvested into new Maybank Shares under the DRP

By electing to participate in the Dividend Reinvestment Plan in respect of any Notice of Election received by him, a Shareholder elects in respect of any Electable Portion (after the deduction of any applicable income tax) to which such Notice of Election relates to reinvest the entire or, if applicable, part of the Electable Portion into new Maybank Shares.

(a) Maximum share entitlement in respect of the Electable Portion under the DRP

In respect of any Electable Portion, the maximum number of new Maybank Shares to be allotted and issued to the Participating Shareholder in respect of a Notice of Election shall be calculated in accordance with the following formula:

$$N = \frac{S \times D}{V}$$

Where:

N = is the maximum number of new Maybank Shares to be allotted and issued as fully paid-up to the Participating Shareholder in respect of such Notice of Election.

S = is the number of Participating Shares held by the Participating Shareholder as at the Book Closure Date for which Notice of Election relates.

D = is the Electable Portion (after deduction of applicable income tax) to which such Notice of Election relates.

V = is the issue price of a new Maybank Share, which shall for the purpose of calculating the number of new Maybank Shares to be allotted and issued as fully paid-up to Participating Shareholder, pursuant to the Dividend Reinvestment Plan, be an amount in RM determined by the Directors ("**Relevant Amount**"), which the Relevant Amount shall not be more than ten per cent (10%) discount to the adjusted five (5)-day VWAMP of Maybank Shares immediately prior to the price fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price.

The fractional entitlement of new Maybank Shares computed in accordance to the above formula will be paid in cash to the Participating Shareholders in the usual manner.

- (b) The balance of the Electable Portion not reinvested into new Maybank Shares under the DRP

In respect of any Electable Portion, the balance of the Electable Portion which is not reinvested into new Maybank Shares in respect of a Notice of Election (containing the DRF) shall be calculated in accordance with the following formula:

$$B = (S \times D) - (A \times V)$$

Where:

- B = is the balance of the Electable Portion which the Participating Shareholders choose not to reinvest into new Maybank Shares in respect of such Notice of Election (containing the DRF).
- S = is the number of Participating Shares held by the Participating Shareholder as at the Book Closure Date for which Notice of Election relates.
- D = is the Electable Portion (after deduction of applicable income tax) to which such Notice of Election relates.
- A = is the number of new Maybank Shares that the Participating Shareholders elect to subscribe in respect of the Electable Portion to which such Notice of Election (containing the DRF) relates.
- V = is the issue price of a new Maybank Share, which shall not be more than ten per cent (10%) discount to the adjusted five (5)-day VWAMP of Maybank Shares immediately prior to the price fixing date subsequent to the receipt of all relevant regulatory approvals, of which the VWAMP shall be adjusted ex-Dividend before applying the aforementioned discount in fixing the issue price.

The balance of the Electable Portion not reinvested into new Maybank Shares will be paid in cash to the Participating Shareholders in the usual manner.

9. Terms of allotment

Unless the Directors otherwise determine, all new Maybank Shares allotted under the Dividend Reinvestment Plan will be allotted as fully paid-up. All such new Maybank Shares shall upon allotment and issuance, rank *pari passu* in all respects with the existing Maybank Shares, except that the holders of new Maybank Shares shall not be entitled to any Dividends, rights, allotments and/or other distributions which may be declared, made or paid preceding the date of allotment of the new Maybank Shares.

As the new Maybank Shares to be issued pursuant to the Dividend Reinvestment Plan are prescribed securities, the new Maybank Shares will be credited directly into the respective Central Depository System Accounts of Shareholders. No physical share certificates will be issued.

10. Notification letters to participants

After the Book Closure Date, Maybank shall transfer funds amounting to the total net payment of the Electable Portion and the Remaining Portion (after the deduction of any applicable income tax) from its account to an escrow account held in trust for Shareholders. Maybank will within eleven (11) market days from the Expiry Date or such date as may be prescribed by Bursa Securities, allot and issue the new Maybank Shares and despatch notices of allotment to the Shareholders (who elect to participate in the Dividend Reinvestment Plan) ("**Allotment Date**") by ordinary post at Shareholders' own risk to the addresses shown in Bursa Depository's record. An announcement will also be made on the listing of and quotation for the new Maybank Shares to be issued pursuant to the Dividend Reinvestment Plan on the Official List of Bursa Securities. Concurrently on the Allotment Date, the Remaining Portion and the Electable Portion (where the Shareholders choose to receive the entire Electable Portion or a part thereof in cash) will be paid to the respective Shareholders in the usual manner and the tax voucher for such Dividend will be despatched to the Shareholders who are entitled to such Dividend.

11. Cost to the participants

Under the present law in Malaysia, brokerage or other material transaction costs and stamp duty will not be payable by Participating Shareholders on new Maybank Shares allotted under the Dividend Reinvestment Plan.

12. Cancellation of application of the Dividend Reinvestments Plan

Notwithstanding any provisions of the Dividend Reinvestment Plan, if at any time after the Directors have determined that the Dividend Reinvestment Plan shall apply to any Dividend and before the allotment and issuance of new Maybank Shares in respect of the Electable Portion, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Dividend Reinvestment Plan in respect of the Electable Portion, the Directors may, in their absolute discretion and as they deem fit and in the interest of the Company and without assigning any reason thereof, cancel the application of the Dividend Reinvestment Plan to the Electable Portion. In such event, the Electable Portion shall be paid in cash to Shareholders in the usual manner.

13. Modification, suspension and termination of the Dividend Reinvestment Plan

The Dividend Reinvestment Plan may be modified, suspended (in whole or in part) or terminated at any time by the Directors as they deem fit.

In the case of a suspension, the Dividend Reinvestment Plan will be suspended (in whole or in part) as the case may be until such time as the Directors resolve to recommence or terminate the Dividend Reinvestment Plan. If the Dividend Reinvestment Plan is recommenced, Participating Shareholders' Notice of Election as their participation under the previously suspended Dividend Reinvestment Plan will be valid and have full force and effect in accordance with these Terms and Conditions for the purposes of the Dividend Reinvestment Plan (including any directions as to Shareholders recommencing to participate in the Dividend Reinvestment Plan) will be notified to all Shareholders.

14. General administration of the Dividend Reinvestment Plan

Any Maybank Shares which a Participating Shareholder has nominated as participating in the Dividend Reinvestment Plan which are subject to a lien in favour of the Company, they shall, unless:

- (a) otherwise provided in the terms and conditions of issue thereof; or
- (b) the Directors otherwise determine,

be treated as if the relevant Participating Shareholder had, in relation to such Maybank Shares, not elected to so participate.

The Directors may implement the Dividend Reinvestment Plan in the manner they deem fit. The Directors have the power to:

- (a) determine procedures, rules and regulations for administration of the Dividend Reinvestment Plan consistent with these Terms and Conditions;
- (b) settle in such manner as they think fit any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the Dividend Reinvestment Plan) which may arise in connection with the Dividend Reinvestment Plan, whether generally or in relation to any Participating Shareholder or any Maybank Share and the determination of the Directors will be conclusive and binding on all Shareholders and other persons to whom the determination relates;
- (c) delegate to any one or more persons, for such period and on such conditions as the Directors may determine, the exercise of any of their powers or discretion under or in respect of the Dividend Reinvestment Plan and references to a decision, opinion or determination of the Directors include a reference to the decision, opinion or determination of the person or persons to whom the Directors have delegated their authority for the purposes of administering the Dividend Reinvestment Plan; and
- (d) waive strict compliance by the Company or any Shareholder with any of these Terms and Conditions.

15. Takeover implications

The attention of Shareholders is drawn to Section 9(1) of Part III of the Take-over Code and Section 217 of the CMSA. In particular, a Shareholder should note that he may be under an obligation to extend a take-over offer for the Company if:

- (a) he subscribes, by participating in the Dividend Reinvestment Plan in relation to any Electable Portion, whether at one time or different times, for Maybank Shares which (taken together with Maybank Shares held or acquired by him or that he is entitled to exercise or control the exercise of, or of persons acting in concert with him) is more than thirty-three per cent (33%) of the voting shares, or such other amount as may be prescribed in the Take-Over Code in a company, howsoever effected; or
- (b) he, together with persons acting in concert with him holds more than thirty-three per cent (33%) but less than fifty per cent (50%) of the voting shares of the Company and he and/or any person acting in concert with him, acquires in any period of six (6) months, additional Maybank Shares carrying more than two per cent (2%) of the voting shares of the Company including participating in the Dividend Reinvestment Plan in relation to any Electable Portion.

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Take-over Code or other relevant legislation or regulations. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Take-over Code as a result of any subscription of Maybank Shares through their participation in the Dividend Reinvestment Plan are advised to consult their professional advisers at the earliest opportunity.

16. Governing law

This Statement, the Dividend Reinvestment Plan and the Terms and Conditions thereof shall be governed by, and construed in accordance with, the laws of Malaysia.

17. Notices and statements

Unless otherwise provided in these Terms and conditions, any notices, documents and statements required to be given by the Company to a Participating Shareholder shall be given in accordance with the applicable provisions of the Articles of the Company.